



Licensing Consolidation Project

Quarterly Digest

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Volume 2

Licensing Project Summary

A lot of hard work and creative ideas continue to be evident as action teams work on the details of implementing the project vision. As you will read in the reports to follow, several teams are close to or have completed recommendations. Of these, three formal recommendations were presented at the Sponsor's Update Meeting on April 17, 2007. One details the transition to the Central Licensing Unit and identifies the first licensing area responsibilities scheduled to be transferred to the unit (read Action Team #13's report for details).

The recent budget developments have provided unique opportunities and issues for the project as staff is challenged with identifying areas of efficiency in state government. Consistent with that challenge, Phyllis Mellon, MDA Chief Deputy Director, recognizes the importance of the work of these teams: "During these difficult budget times, it's imperative we evaluate how we currently conduct business to find creative and innovative ways to be more efficient while addressing our customer needs for more on-line government services. I am both proud and impressed with the examples of teamwork and excellence illustrated through the accomplishments of the action teams." Additionally, these improvement efforts help garner support from the industry as the Department presents budgetary needs to the legislature and seeks fee increases.

- Brad Pagratis, Project Manager • pagratisb@michigan.gov • 517-373-4261

Action Team 1

Create Central Licensing Unit

Team Leader: Rick Harper

Team #1 has worked with the transition plan team (#13) as that team has worked on determining the sequence for moving licensing responsibilities to a Central Licensing Unit. As detailed in that report, Team #13 has identified food, nursery, and retail gas as being the first three to migrate over a period of time. With that order established, Team #1 will continue to work on staffing needs, organizational structure, and other logistics associated with the creation of the Central Licensing Unit. This unit will pilot concepts to gain efficiencies and effectiveness such as standardization, single point of contact, and synergy between the licensing and cashing areas.

Action Team 2

Development of IT System

Team Leader: Brad Pagratis

Team #2 has continued to work with MDIT procurement staff in contracting for requirements gathering and alternate systems analysis. The current plan is to have an outside contractor compile MDA's requirements and at the same time compare those requirements against existing licensing systems used in other states (i.e. Minnesota, Texas, etc.). This analysis will help determine the most cost effective direction for the remainder of the project. Additional business cases and cost savings justifications have been compiled in response to the recent executive directives. The team is now awaiting decision from the state budget office on this procurement initiative.

Action Team 3

Standardize App and License

Team Leader: Michele Finateri

Team #3 has created a standardized application concept for the Department consisting of a first page with standard data fields followed by additional pages that contain program specific information related to the license/certification/registration being requested. The team has also proposed standardizing licenses to a 1/3 page license, similar to that which is currently being used in the nursery, pesticide, and the bottled water programs. This license format is also consistent with licenses issued by other State of Michigan departments. The team has also created a standardized agent card in which the front would closely mirror that of the license and the back would list the restrictions for that individual.

Action Team 4

Number of Licenses/End Date

Team Leader: Tim White

Team #4 has recommended a two year licensing cycle be implemented when MDA licensing laws are updated. This recommendation would assist in balancing the licensing workload throughout the year as there would be approximately 50 percent of the firms being licensed each year instead of the full 100 percent.

Team #4 has also developed recommendations for fee structures to be used Department-wide. When fully implemented, these recommendations will create consistency throughout the Department with regards to calculating licensing fees and late fees on renewals. Furthermore, the recommendation advises that licenses not be issued until all fees have been paid.

Action Team 5

Unique Identifier

Team Leader: Byron Beerbower

Team #5 has identified a variety of issues associated with implementing a consistent unique identifier across the Department. The team will continue meeting over the next few weeks to systematically resolve the issues.

Action Team 6

Electronic Signature

Team Leader: Byron Beerbower

Team #6 has completed research on both the Federal and State issues surrounding the acceptance of electronic signatures. The team has determined that electronic signatures will not create any legal problems for the Department. However, the next issue to be resolved is the manner in which the electronic signature is captured within the system. This is a design issue that will have to be resolved when the system development contractor is creating the new licensing system.

Action Team 7

Communication Plan

Team Leader: Tom Benner

Team #7 issued the first Quarterly Digest on February 23, 2007. The team believes this first mass communication tool was well received as approximately 70 percent of MDA staff opened the e-mail. Additionally, a link was put on the MDA Web site, http://www.michigan.gov/mda/0,1607,7-125-1572_45687---,00.html, for non-MDA staff to sign-up for the Licensing Project Listserv. The team has also drafted the complete communications and outreach plan and is working on finalizing it.

Action Team 8 Training Plan

Team Leader: Sue Esser

Team #8 has developed a list of information needed from each license area, including who needs the license, what information is required for the license, and who are the resource people. Team #8 continues to work with the single Web page team to take advantage of information already gathered for the Frequently Answered Questions (FAQs). At its next meeting, Team #8 will compare the information collected by both teams to determine if the FAQs satisfy the information needs of the Central Licensing Unit. If they do, FAQ Web pages could be printed and put into the training manual. Team #8 is also discussing any information gaps and format needs for easy use by the Central Licensing Unit.

Action Team 9 Budgetary/Support Issues

Team Leader: Barb Hensinger

Team #9 continues to monitor budget impacts for the project. As such, the team reviewed the administrative cost allocation and supported moving forward with sending the bid package for design and technology specifications as recommended by Team #2. The team also encouraged that the project seek information on other state's systems to determine if there is an existing system that would meet our needs and therefore reduce development expenses. Team #9 also discussed the possibility to targeting year-end funds given the current budget situation and will continue to monitor this possibility.

Action Team 10 Receipt of Licensing Funds

Team Leader: Louis Martin

Team #10 finalized their recommendation document regarding receipting funds for licensing. Recommendations include:

1. When a check is returned Non-Sufficient Funds or a refund is required, the Licensee will be contacted for replacement of check or the Licensee will be sent the refund, rather than the individual that sent the check.
2. A Department-wide policy should be developed to provide structure for accepting cash/checks in the field, including appropriate internal controls, pre-numbered receipts, and the reconciliation of the receipts.
3. Accept electronic payments over the internet for licenses and applications.

Action Team 11 Centralized Web Site

Team Leader: Matt Clara

Team #11 has completed a single Web page listing all 41 of the Licensing Project licenses. In addition, a new URL has been established to reference the MDA licensing pages: <http://www.michigan.gov/mda-licensing>. The team has also completed developing the decision tree that can be found at this Web site. Finally, the team has begun collecting FAQ information from program managers and will continue to collect any outstanding information. Each of these FAQ pages will be linked from the single page listing the 41 licenses. The completion of this last task will conclude Team #11's charge except for the online placement of the single application form being created by Team #3.

"After you've done a thing the same way for two years, look it over carefully. After five years, look at it with suspicion. And after ten years, throw it away and start all over."
- Alfred Edward Perlman

Action Team 12

Interim Process Data Flow

Team Leader: Shari Blonde

Team #12 has been working through the options for an interim process flow. They have evaluated the License 2000 system, including a demonstration, in-depth discussion regarding the pros and cons of this system, and the upgrade to XP. Next, the Receipt Processing System is scheduled for a similar demonstration and discussion. The team also continues to work with Team #13 to insure a smooth transition in the interim process. The team recognizes that each license has a unique identifier and, at the present time, is accepting their use of that identifier. The team continues to follow Team #5 and their recommendations regarding the unique identifier.

Action Team 13

Transition Plan to Interim Process

Team Leader: Barb Hensinger

Team #13 determined a plan was needed to roll the various licensing functions into the Centralized Licensing Unit (CLU). They further derived that those functions needed to be identified as soon as possible in order for the impacts to be assessed and addressed by the various project teams. Therefore, the team looked at the cycle time information and systems inventory information. In order to determine tasks, scope, and support needed, the team also conducted interviews with all staff that have a direct licensing function. From their research, Team #13 recommended the Food Service and Food Handling licenses to be the first to be rolled into the CLU. Given that staff in the Food Division are dedicated to this function, those staff members will be reassigned to the CLU. This transition is planned for November 2007. The next set of licenses to move to the CLU will be Nursery in the spring of 2008, followed by Retail Gasoline in the summer of 2008. Additional staffing recommendations are still being reviewed by Team #1 and Team #13.

Action Team 14

Performance Outcomes/Measures

Team Leader: Mark Swartz

Team #14 has evaluated the task and has drafted a work plan. The team is currently waiting for completion of Team #2 whose efforts are to define tasks that will be performed by the future system. Time spent performing these tasks will then be quantified.

Upcoming Milestones

The following dates exist as part of the overall project plan and may be impacted by budgetary or unforeseen circumstance.

May 2007 -

Single Web Page for Licensing Launched

Nov 2007 -

Central Licensing Unit Created with Food Handlers and Food Service Responsibility

January 2008 -

Requirements Gathering and Analysis Complete

February 2008 -

Nursery Licensing moved into Central Licensing Unit

March 2008 -

System Development Begins

June 2008 -

Retail Gasoline Outlet Licensing moved into Central Licensing Unit

March 2009 -

New System Implementation

Not an MDA employee and want to receive updates on the project? Subscribe to the MDA Licensing Project Listserv. Go to www.michigan.gov/mda, click on "Inside MDA," then click on "Programs and Services," and finally on "[Licensing Project Listserv Information](#)" to subscribe.

